

\$70 Million Program Secured by Congressman Begins

Owego, NY -- As part of his ongoing effort to strengthen the Southern Tier's defense industry, Congressman Maurice Hinchey (D-NY) today visited Lockheed Martin's Owego facility to announce \$249 million in new U.S. Navy contracts that the company will use to develop technology that will sustain and enhance the H-60 helicopter fleets. Hinchey used his seat on the House Appropriations Subcommittee on Defense to directly secure \$70 million of the funding for Lockheed Martin Owego that otherwise would have been lost along with approximately 160 Southern Tier jobs that the money supports.

"The work being done by Lockheed Martin's employees at its Owego facility is very critical to the future success of the Navy and our ongoing efforts to provide the members of our military with the highest quality equipment and helicopters possible," Hinchey said. "I am very pleased to have helped secure this funding that will help retain hundreds of jobs in the Southern Tier and further position the company to hire more people in the years ahead. As Lockheed Martin and other local defense companies get stronger so will the economy of the entire Southern Tier region. Continuing to strengthen the Southern Tier economy and laying the groundwork for long-term economic growth in the region remains my top priority and I will continue to look for innovative ways to bring new, high-paying jobs to our part of New York."

Of the \$249 million, \$179 million will be awarded to Lockheed Martin Owego as part of a joint Performance Based Logistics (PBL) contract with Sikorsky Aircraft that will support the Navy's fleet of legacy H-60 helicopters. The new contract, which runs through January 31, 2015, enables the government and industry team to continue to support the H-60 fleet as it has since the initial five-year contract awarded in January 2004. The work that Lockheed does will help sustain the current H-60 fleet and avoid the much more costly effort to replace the helicopters. With its fixed-price contract structure, the PBL contract directly supports the Pentagon's request to industry to reduce costs and improve performance.

The congressman had a direct role in obtaining the \$70 million for Lockheed Martin Owego. After the Senate failed to approve the funding that Hinchey was able to secure in the House for the VH-71 presidential helicopter two years ago, the congressman stepped in and made sure that the company's Owego facility would still receive an extra allocation of federal funding for other helicopter work, rather than losing all funding completely. The program will also save taxpayers \$1 billion worth of technology developed in the VH-71 program, which will now be used in other helicopters.

The result, in part, is an initial \$34 million contract for Lockheed Martin Owego to provide MH-60R/S helicopter crews with improved situational awareness by incorporating the company's Situational Awareness Technology Insertion (SATI), a package of upgrades and improvements to the aircraft's flight management system. In addition to the \$34 million announced today, as part of the funding Hinchey secured, another \$36 million allocation will come in over the next year.

"While Lockheed Martin Owego has undoubtedly faced challenges in the recent past, it's clear that the company has a bright future in Owego and I will continue to fight for every federal dollar I can to bring home and support jobs in the Southern Tier that will in turn support our troops in the field," Hinchey said.

Hinchey's recent efforts to support Lockheed Martin Owego extend beyond the new contracts announced today. Last month, Hinchey announced that the U.S. Navy awarded the company a \$45 million contract for a U.S. Marine Corps evaluation of unmanned cargo resupply in an operational forward deployed environment. Lockheed is competing for a long-term project to develop unmanned cargo helicopter systems that were designed for the battlefield cargo resupply mission and augment ground and air logistics operations, supplement rotary-wing assets and keep servicemembers supplied and out of harm's way. The program was prompted by needs in Afghanistan. The contract announced last month will allow Lockheed to move into the next phase of that competition, with 90 percent of the work being done by workers at the firm's Owego facility.

As part of a reorganizational effort, Lockheed Martin announced in November that it was transferring approximately 300 jobs to Owego over the next two years. That move gives Owego a stronger business base for the future. Furthermore, it provides the Owego facility additional opportunities to grow, perform and further leverage its technologies to additional platforms.